

FROM COORDINATOR FOR RECONSTRUCTION AND STABILIZATION JOHN E. HERBST

E.O. 12958: N/A

TAGS: KCRS, PREL, PGOV, EAID

SUBJECT: GUIDANCE FOR FY 09 SECTION 1207 PROCESS

1. (U) Summary: The Office of the Coordinator for Reconstruction and Stabilization (S/CRS) is pleased to inform posts of the renewal of Section 1207 funding for reconstruction and stabilization projects. The purpose of this message is to provide guidance on Section 1207 process for FY09. End Summary
2. (U) Since FY2006, the Office of the Coordinator for Reconstruction and Stabilization (S/CRS), in coordination with the Office of the Director of U.S. Foreign Assistance (F), USAID and DOD, has administered Section 1207 funds. The 1207 authority allows DOD to transfer funds to State to provide immediate reconstruction, security, or stabilization assistance to a foreign country for the purpose of restoring or maintaining peace and security in that country.
3. (U) The FY09 process has changed somewhat from FY08, based on lessons learned and feedback from bureaus, posts, OMB and Congress. Our aim this year is to identify a targeted group of countries and then offer guidance to those Embassies on how to submit 1207 project proposals. Hence, this year S/CRS will not solicit 1207 project proposals. We will instead work with countries nominated by the interagency to develop a crisis prevention strategy and identify relevant projects for funding from the approximately \$50 million still available in FY 2009 Section 1207 funds. We will also offer to conduct an Interagency Conflict Assessment Framework (ICAF) analysis to help this crisis prevention process [NOTE: S/CRS will be publishing a booklet on the ICAF process which will be made available to all posts. For further background on the ICAF, please go to <http://www.crs.state.gov/> and click on "key issues" and then click on "ICAF"].
4. (U) To develop this list of targeted countries, S/CRS is seeking nominations from State and USAID regional and functional/pillar bureaus and DOD's combatant commands. Individual State Department bureaus (both geographic and functional) should nominate up to 5 countries each based on the criteria listed below. USAID will solicit up to 5 country nominations from each of its bureaus. For DOD, OSD's Office of Partnership Strategy will work with OSD's Regional Policy Offices, Joint Staff J-5 and the Combatant Commands to identify up to 5 priority countries for each of their regions. Embassies and USAID Missions who believe their country should be reflected on these lists should contact their State and USAID regional bureaus. Note that we are seeking nominations of countries at risk of conflict and instability, NOT

specific projects.

5. (U) Successful nominees will meet most of the following criteria:

- a) They have a definable crisis prevention, security, stabilization, or reconstruction need.
- b) They are at significant risk of instability or working to recover from instability, as indicated by the National Intelligence Community Watchlist: Internal Instability (see the S/CRS classified website -- go to <http://www.state.sgov.gov/s/crs/> and click on Conflict Prevention).
- c) They are of strategic interest to the U.S. 1) as identified by the State and USAID regional and functional bureaus or 2) as defined for DOD, in the Guidance for the Employment of the Force and Combatant Command Theater Campaign Plans.
- d) The Embassy country team needs immediate assistance to respond to the threat of instability and is willing to take a whole-of-government approach.
- e) Host country government or local stakeholders are likely to support this program.
- f) Other funding is not available to support a crisis prevention or R&S project and there are no legal or policy prohibitions on providing funding.

Nomination Process

STATE 00005876 002 OF 003

6. (U) Each bureau's list of nominated countries should be accompanied by a 1-2 page concept paper for each country, discussing the six criteria listed above. This concept paper should briefly describe the issue to be addressed with a 1207 project and a general concept about the crisis mitigation/1207 approach. State bureaus should submit their list by memo or e-mail from the bureau A/S or equivalent to the Coordinator for Reconstruction and Stabilization (with a copy to SCRS1207@state.gov). USAID's Chief Operating Officer will coordinate submission of each bureau's nominations to S/CRS. For DOD, OSD Policy's Office of Partnership Strategy and Joint Staff J-5 Global Security Affairs will work with OSD and J5 Regional Offices and the Combatant Commands to formulate nominations for each region and submit them to S/CRS. ALL NOMINATIONS ARE DUE TO S/CRS BY FEBRUARY 6, 2009.

Review Process

7. (U) S/CRS will work with the interagency 1207 Review Committee (consisting of representatives from S/CRS, F, USAID, OSD and Joint Staff) to review nominations and

recommend approximately 10 consensus countries to the interagency 1207 Selection Committee for approval. We will inform all interested bureaus once the list of targeted countries is finalized. Selection of a country does not guarantee 1207 funding; this is dependent on the needs of the country, the continued interest of the Embassy and implementing bureau, and available funds.

Engagement with Embassies and Bureaus

8. (U) Once these targeted countries are identified, S/CRS will provide specific guidance on how to submit a 1207 proposal. S/CRS staff is available upon request to work directly with Embassies and bureaus to help develop sound 1207 projects as well as a whole-of-government approach to address instability in their country. If there is interest, S/CRS can coordinate an Interagency Conflict Assessment Framework (ICAF) analysis, either at post or in Washington, to identify key issues promoting or constraining instability and to locate gaps in current prevention efforts.

9. (U) Proposals for 1207 funding will be reviewed by the 1207 committees, the Coordinator for Reconstruction and Stabilization and the Director of U.S. Foreign Assistance, who will recommend them to DOD for funding. Funding is subject to availability and, when conditions warrant, could be reallocated for security, stabilization, and reconstruction crises.

Proposed Timeframe

10. (U) Countries will be selected by the beginning of March. S/CRS staff will engage with selected posts in March and April with the goal of having potential 1207 project proposals completed and submitted to the 1207 committees by early May. Depending upon how quickly awards are approved, funds should be available between June and August.

1207 Funds for Crisis Response

11. (U) 1207 funds can also be used to respond to immediate security, stabilization, or reconstruction crises that cannot wait for the normal budget cycle (but generally not for humanitarian crises, which have their own contingency funds). Such crises will normally be identified by senior State, USAID or DOD leadership. Embassies and USAID Missions who believe their countries should be considered for 1207 funds for crisis response should contact their State and USAID regional bureaus. 1207 funds may also be used to support the mobilization of the Civilian Reserve of S/CRS, USAID and other

agencies for crisis deployments and for related security, stabilization, and reconstruction programs.

STATE 00005876 003 OF 003

Further Information

12. (U) For further information on crisis prevention programs or the 1207 program, please e-mail SCRS1207@state.gov or contact Peter Kranstover (KranstoverPF@state.gov or 202-663-0311) or Bill McCulla (McCullaWL@state.gov or 202-663-0300).

13. (U) Minimize considered.
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